

ORGANIZATION FOR THE PROTECTION AND ADVANCEMENT OF SMALL TELEPHONE COMPANIES

2000 K STREET, N.W., SUITE 205 WASHINGTON, D.C. 20006 202/659-5990 ◆ 202/659-4619 (FAX)

July 7, 1992

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Ms. Donna R. Searcy Secretary Federal Communications Commission Room 222 1919 M Street, NW Washington, DC 20554

JUL - 7 1992

Federal Communications Commission Office of the Secretar ORIGINAL FILE

Re:

In the Matter of Billed Party Preference for

0+ InterLATA Calls

Dear Ms. Searcy:

Please find enclosed for filing the original and eleven copies of the Organization for the Protection and Advancement of Small Telephone Companies' comments in the above captioned proceeding.

Thank you for your assistance in this matter.

Sincerely,

Lisa M. Zaina

General Counsel

No. of Copies rec'd_ List A B C D E

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

| In the Matter of: |) | |
|-----------------------------|---|---------------------|
| Billed Party Preference for |) | CC Docket No. 92-77 |
| 0+ InterLATA Calls |) | RECEIVED |
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Federal Communications Commission Office of the Secretary

COMMENTS OF THE ORGANIZATION FOR THE PROTECTION AND ADVANCEMENT OF SMALL TELEPHONE COMPANIES

OPASTCO 2000 K Street, NW Suite 205 Washington, DC 20006 (202) 659-5990

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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Federal Communications Commission
Office of the Secretary

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COMMENTS OF THE ORGANIZATION FOR THE PROTECTION AND ADVANCEMENT OF SMALL TELEPHONE COMPANIES

I. INTRODUCTION

The Federal Communications Commission (FCC or Commission) has initiated this rulemaking to consider the "billed party preference" routing methodology for 0+ interLATA payphone traffic and for other types of operator-assisted interLATA traffic.¹

Under this scheme, interexchange calls dialed from equal access areas on a 0+ basis would be routed to the operator service provider preselected by the party being billed for the call. The calls are currently routed to the operator service provider (OSP)

¹In the Matter of <u>Billed Party Preference for 0+ InterLATA Calls</u>, CC Docket No. 92-77, 57 Fed. Reg. 24574 (June 10, 1992) ("NPRM").

that is preselected by the premises owner. Such an arrangement will focus competitive efforts on the ultimate end users rather than the premises owner. The Commission has tentatively concluded that a system of billed party preference for all 0+ interLATA calls is in the public interest.

The Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO) is interested in the ramifications that this proposal will have on its members and their customers. Conversion to the new equal access plan of billed party preference could prove to be an insurmountable investment for many local exchange companies in the near term. OPASTCO is a national trade association of more than 400 independently owned and operated telephone companies serving rural areas of the United States and Canada. The members, which include both commercial companies and cooperatives range in size from less than 100 to nearly 50,000 access lines and together serve almost two million customers. OPASTCO hereby submits its comments in the above-captioned proceeding.

II. COMMENTS

OPASTCO contends that the FCC must carefully approach the decision to mandate billed party preference in equal access areas. OPASTCO understands that the Commission has tentatively concluded that conversion to the equal access plan of billed party preference for all 0+ interLATA calls is in the public interest. OPASTCO does concur that it may make the network more

"user friendly", however, the cost of mandated conversion may be prohibitive for many LECs.

OPASTCO is not suggesting that it believes that the FCC should not discuss the adoption of the equal access plan of billed party preference. However, it is imperative that certain questions be answered before the Commission mandates this plan, especially for small LECs.

First, the FCC needs to address the effect that this equal access plan will have on the call set-up time for these 0+ interLATA calls. The feature capability to route these 0+ calls to different trunk groups may increase the call completion time. Second, attendant to a change to the equal access plan of billed party preference is the potential logistical problems of billing and collection. Identification of the ultimate interexchange carrier by the local exchange carrier (LEC) that is doing the billing and collection will not be simple, and the LEC may encounter significant difficulty in billing the appropriate operator service provider. These are some of the concerns that should be addressed before this change is mandated.

Finally, there is a question of the cost. There has been a great deal of discussion about the magnitude of the cost of this conversion to the equal access plan of billed party preference. Costs will vary from LEC to LEC depending on the type of equipment they use and the degree to which they have deployed

signalling system 7 in their networks. ² This is another unknown that should be determined before the Commission requires billed party preference.

Another reason for not mandating billed party preference for small rural independents is that these small LECs have a tradition of providing good quality services and capabilities to their customers without being required to do so. OPASTCO members live and work in the communities that they serve and they are in the best possible place to recognize what their neighbors need and desire. The rural independents have a long history of implementing new technology and services based upon a recognition of the needs of their communities and they should be permitted to continue doing the same, without FCC edict.

III. CONCLUSION

OPASTCO believes that the transition to the equal access plan of billed party preference may be in the public interest. However, it is not clear that all of the necessary questions have been asked and answered. Requiring that the independents adopt the billed party preference plan without comprehensively answering these questions is ill-advised. Moreover, another reason not to require this plan for small rural independents is that the independent telephone companies traditionally have

²Estimates from one supplier indicate that the list planning price for the upgrade necessary to offer billed party preference at some end offices is \$600,000.00.

provided good quality services and capabilities to their customers without FCC mandate. OPASTCO urges the Commission to give consideration to these concerns.

Respectfully submitted,

Lisa M. Zaina General Counsel

Organization for the Protection and Advancement of Small Telephone Companies 2000 K Street, NW, Suite 205 Washington, DC 20006 (202) 659-5990

July 7, 1992

CERTIFICATE OF SERVICE

I, Annette M. Berard, hereby certify that a copy of OPASTCO's comments was sent on this, the 7th day of July, 1992, by first class United States mail, postage prepaid, to those listed on the attached service list.

annette m. Berard

Annette M. Berard

Downtown Copy Center 1990 M Street, NW Suite 640 Washington, DC 20554